

No. 23980

**FEDERAL REPUBLIC OF GERMANY
and
EGYPT**

**Agreement concerning financial co-operation. Signed at
Bonn on 26 April 1983**

Authentic texts: German, Arabic and English.

Registered by the Federal Republic of Germany on 26 February 1986.

**RÉPUBLIQUE FÉDÉRALE D'ALLEMAGNE
et
ÉGYPTE**

**Accord de coopération financière. Signé à Bonn le 26 avril
1983**

Textes authentiques : allemand, arabe et anglais.

Enregistré par la République fédérale d'Allemagne le 26 février 1986.

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE FEDERAL REPUBLIC OF GERMANY AND THE GOVERNMENT OF THE ARAB REPUBLIC OF EGYPT CONCERNING FINANCIAL CO-OPERATION

The Government of the Federal Republic of Germany and the Government of the Arab Republic of Egypt,

In the spirit of the friendly relations existing between the Federal Republic of Germany and the Arab Republic of Egypt,

Desiring to strengthen and intensify those friendly relations through financial co-operation in a spirit of partnership,

Aware that the maintenance of those relations constitutes the basis of this Agreement,

Intending to contribute to social and economic development in the Arab Republic of Egypt,

With reference to the Summary Record of 14 April 1983,

Have agreed as follows:

Article 1. (1) The Government of the Federal Republic of Germany shall enable the Government of the Arab Republic of Egypt or other recipients to be determined jointly by the two Governments to obtain from the Kreditanstalt für Wiederaufbau, Frankfurt/Main, loans of up to DM 241.5 million (two hundred forty-one million five hundred thousand Deutsche Mark) and, as necessary, financial contributions of up to DM 8.5 million (eight million five hundred thousand Deutsche Mark) for preparatory and attendant implementation and support measures, i.e. a total of up to DM 250 million (two hundred fifty million Deutsche Mark), for the projects

- (a) Sugar Factory Guirga,
- (b) Rehabilitation of Railway Line Alexandria-Cairo-Aswan,
- (c) Rural Development Fayoum Oasis,
- (d) Principal Bank for Development and Agricultural Credit (PBDAC),
- (e) Fourth Coke Oven Battery Helwan,
- (f) Oil Processing Plant,
- (g) Supply of Electrical Components,
- (h) Telephone Network Cairo-Abbassia,
- (i) Rehabilitation of Transformer Stations (Substations),
- (j) Rehabilitation of Transmission and Control System in the Electricity Network,
- (k) Rehabilitation of Power Stations,

¹ Came into force retroactively on 26 April 1983, the date of signature, after the Government of Egypt had notified the Government of the Federal Republic of Germany (on 22 September 1984) of the completion of the required national procedures, in accordance with article 8.

(l) Study and Expert Fund II,

(m) Management Advisory Services for Egyptian National Railways (ENR),
if, after examination, the projects have been found eligible for promotion.

(2) This Agreement shall also apply if, at a later date, the Government of the Federal Republic of Germany enables the Government of the Arab Republic of Egypt to obtain from the Kreditanstalt für Wiederaufbau further loans or financial contributions for the preparation of the projects referred to in paragraph 1 above or for attendant measures required for their implementation and support.

(3) The projects referred to in paragraph 1 above may be replaced by other projects if the Government of the Federal Republic of Germany and the Government of the Arab Republic of Egypt so agree. Financial contributions for preparatory and attendant measures pursuant to paragraph 1 above shall be converted into loans in the event that they are not used for such measures.

(4) The disbursement of the loans and financial contributions earmarked for the projects referred to in paragraph 1 (i) to (m) above shall be subject to the fulfilment on time of the payment liabilities assumed under the Agreed Protocol of 8 February 1973 between the Government of the Federal Republic of Germany and the Government of the Arab Republic of Egypt.¹

Article 2. (1) The utilization of the amount referred to in Article 1 of this Agreement as well as the terms and conditions — including adequate fees and other items of financing costs — on which it is made available shall be governed by the provisions of the agreements to be concluded between the recipients of the loans and financial contributions and the Kreditanstalt für Wiederaufbau, which shall be subject to the laws and regulations applicable in the Federal Republic of Germany.

(2) The Government of the Arab Republic of Egypt, insofar as it is not itself the borrower, shall guarantee to the Kreditanstalt für Wiederaufbau all payments in Deutsche Mark to be made in fulfilment of the borrowers' liabilities under the agreements to be concluded pursuant to paragraph 1 above.

Article 3. The Government of the Arab Republic of Egypt shall exempt the Kreditanstalt für Wiederaufbau from all taxes and other public charges levied in the Arab Republic of Egypt in connection with the conclusion and implementation of the agreements referred to in Article 2 of the present Agreement.

Article 4. The Government of the Arab Republic of Egypt shall allow passengers and suppliers free choice of transport enterprises for such transportation by sea, land or air of persons and goods as results from the granting of the loans and financial contributions, abstain from taking any measures that might exclude or impair the fair and equal participation of transport enterprises having their place of business in the German area of application of this Agreement, and grant any necessary permits for the participation of such enterprises.

Article 5. Supplies and services for projects financed from the loans and financial contributions shall, unless otherwise provided for in individual cases, be subject to international public tender.

¹ United Nations, *Treaty Series*, vol. 1157, p. 211.

Article 6. With regard to supplies and services resulting from the granting of the loans and financial contributions, the Government of the Federal Republic of Germany attaches particular importance to preferential use being made of the economic potential of Land Berlin.

Article 7. With the exception of those provisions of Article 4 which refer to air transport, this Agreement shall also apply to Land Berlin, provided that the Government of the Federal Republic of Germany does not make a contrary declaration to the Government of the Arab Republic of Egypt within three months of the date of entry into force of this Agreement.

Article 8. This Agreement shall enter into force retroactively on the date of signature thereof as soon as the Government of the Arab Republic of Egypt has informed the Government of the Federal Republic of Germany that the national requirements on the side of the Arab Republic of Egypt for the entry into force of the Agreement have been fulfilled.

DONE at Bonn on 26 April 1983 in duplicate in the German, Arabic and English languages, all three texts being authentic. In case of divergent interpretations of the German and Arabic texts, the English text shall prevail.

For the Government
of the Federal Republic of Germany:

[Signed — Signé]¹

[Signed — Signé]²

For the Government
of the Arab Republic of Egypt:

[Signed — Signé]³

¹ Signed by B. von Staden — Signé par B. von Staden.

² Signed by Dr. Jürgen Warnke — Signé par Jürgen Warnke.

³ Signed by Wagih Shindy — Signé par Wagih Shindy.